

20 October 1952

MEMORANDUM FOR: Deputy Director (Administration)

SUBJECT: Report of Activities -- Week Ending 17 October 1952

1. CIA Regulations

a. A study has been completed by myself and [REDACTED] of the needs of the Agency in the way of regulations and procedures. Within a day or so, a complete concept of Agency issuances will be submitted together with draft regulations to establish this concept and provide the framework for immediate action in this area. We have also assembled the product of the task force, previously assembled for this purpose, in order that the thousands of man hours already expended will not be wasted.

25X1A

b. The concept of regulations being proposed has been discussed with representatives of the Deputy Director (Plans) who are tentatively at least in full accord with the proposals. The concept, however, appears to be highly divergent from that held by Organization and Methods Service.

2. Paragraph 9.4 of the CFR's and the Commercial Division

a. You are reminded that regulation 9.4 has not been rescinded nor replaced by a substitute concept and procedure for planning and authorizing extraordinary support and administrative requirements of certain types of operations. The need to resolve the remaining issues in this area is considered to be of considerable importance.

3. OTR Training Project

a. Considerable time was expended during the week in advising and assisting the Office of Training in developing a project concept for submission to the Project Review Committee. The general proposal is for the establishment of Agency capability for producing motion picture training aids.

b. This work was undertaken unofficially at the request of the Director of Training, and, although it is not in line with any instructions from your office, it was assumed that you would desire that such assistance be furnished.

~~SECRET~~

Security Information

25X1A 4. Accountability

25X1A a. The entire file on the [REDACTED] accountability in which the DDP requests the approval of the DCI to the acceptance of a post-facto reconstructed accounting of approximately \$750,000 has been reviewed and revised. The problem, as I see it, is that the Director is being asked to exercise his personal responsibility for the expenditure of a vast sum which cannot be accounted for in accordance with normal Agency standards. It is apparent therefore that his decision should be a considered one supported by documentary evidence. The record should clearly reflect whether or not there is any indication of malfeasance or misfeasance and secondly should clearly establish the operational circumstances and justification warranting favorable action by the DCI. On this premise, it appears to be essential that the DDP present the operational background and positively affirm the operational necessity and reasonableness of the expenditures and the manner in which they were handled.

b. Because of my personal familiarity with the case, I have drafted memoranda designed to accomplish the above and have forwarded them to the CAO/DDP.

5. Cashing of Checks for Overseas Personnel

a. An extremely insecure procedure for the cashing of personnel checks of field personnel by Headquarters was detected quite by chance. The situation was investigated and a memorandum prepared for the offices concerned. Copy is attached.

25X1A

[REDACTED]
Special Assistant to the
Deputy Director (Admin.)

SA/DDA:EDE:mes (20 October 1952)

Enclosure - 1

Copy of memo to the Chief, Finance Division,
dtd 15 October 1952, from SA/DDA; Subject:
"Cashing of Checks for Overseas Personnel"

~~SECRET~~